



BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

TOM FORESE – Chairman
BOB BURNS
DOUG LITTLE
ANDY TOBIN
BOYD W. DUNN

JUN 22 2017

DOCKETED BY
GB

IN THE MATTER OF THE COMMISSION’S
INVESTIGATION OF VALUE AND COST OF
DISTRIBUTED GENERATION.

DOCKET NO. E-00000J-14-0023

DECISION NO. 76149

**ORDER CLARIFYING DECISION
NO. 75859 REGARDING RCP
ANALYSIS SPREADSHEET
MODEL PUBLICATION**

Open Meeting
June 13 and 14, 2017
Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the
Commission finds, concludes, and orders that:

FINDINGS OF FACT

1. On January 3, 2017, the Arizona Corporation Commission (“Commission”) issued
Decision No. 75859 in this docket.¹

2. Decision No. 75859 adopted the Resource Comparison Proxy (“RCP”) methodology
and a Five-Year Avoided Cost methodology to calculate the value of DG exports in electric utility rate
cases before the Commission, and ordered parties to utilize the RCP methodology initially until the
Five-Year Avoided Cost methodology is finalized.

3. Decision No. 75859 addresses a requirement that the RCP model be made available on
the Commission’s website.

¹ Decision No. 75932 (January 13, 2017) amended Decision No. 75859 to establish that the grandfathering provisions in
Decision No. 75859 begin on the date a customer files for interconnection, as opposed to the date interconnection is actually
accomplished.

1 4. In discussion regarding implementation of value of Distributed Generation (“DG”)
2 methodologies, Decision No. 75859 indicates, at page 154, that the methodologies shall be:

- 3 1) Transparent: all inputs, assumptions and calculations shall be clearly described
4 and explained;
- 5 2) Accessible: i.e., the value of DG methodology cost-benefit calculation shall
6 be made available to the public in the form of an electronic spreadsheet that is
7 published on the Commission’s website; and
- 8 3) Flexible: to allow for the ability to change inputs and assumptions used in
9 the calculation which are likely to change over time.

10 5. Decision No. 75859, at page 173, Finding of Fact 153, provides that within 90 days of
11 receipt of the underlying data for the RCP methodology provided by the utility, Staff shall:

- 12 1) Perform the analysis;
- 13 2) Make all assumptions and inputs of its analysis publicly available in the form of
14 electronic spreadsheet that is published on the Commission’s website, with a
15 clear description and explanation of all inputs, assumptions and calculations.

16 6. On May 12, 2017, Staff filed a Motion for Clarification. Staff requests clarification
17 with respect to the requirement in Decision No. 75859 that Staff make the assumptions and inputs of
18 its RCP analysis in rate cases publicly available in the form of an electronic spreadsheet on the
19 Commission’s website. Staff states that some of the inputs used in the RCP, such as information related
20 to Purchase Power Agreements (“PPAs”), are confidential.

21 7. Staff seeks clarification that Decision No. 75859 does not require Staff to put
22 confidential inputs, such as PPAs or other confidential information, on the Commission’s website.

23 8. Staff seeks further clarification regarding the acceptability, in each rate case where the
24 export rate is calculated via the RCP and confidential inputs are used, of putting a **redacted** version of
25 Staff’s analysis using the spreadsheet on the Commission’s website. Staff states that a redacted version
26 of the spreadsheet could provide the information in aggregate form, as long as the confidential
27 information could not somehow be determined from the information provided. Staff further states that
28 if redaction cannot be accomplished in a particular case, the utility could be required to follow the

1 current practice of providing the information to parties in the case who have signed a confidentiality
2 agreement.

3 9. Staff also seeks clarification as to whether the requirement of Decision No. 75859 would
4 be satisfied if the utility published the model with Staff's analysis on the utility's website.

5 10. On May 15, 2017, Mohave Electric Cooperative, Inc. ("MEC") and Navopache Electric
6 Cooperative, Inc. ("NEC") filed its Join Notice of Support of Staff's Motion for Clarification.

7 11. On May 17, 2017, Tucson Electric Power Company ("TEP") and UNS Electric, Inc.
8 ("UNSE") filed its Join Notice of Support of Staff's Motion for Clarification. TEP and UNSE agree
9 that confidential, proprietary and/or competitively sensitive third-party information provided and
10 utilized in this docket pursuant to the terms of the Protective Agreements must be protected from public
11 disclosure.

12 12. No other responses were filed to Staff's Motion for Clarification.

13 13. Staff's request for clarification of Decision No. 75859 is reasonable.

14 14. Decision No. 75859 does not require Staff to publish confidential inputs used in Staff's
15 RCP analysis spreadsheet model on the Commission's website. When inputs deemed confidential are
16 used, Staff should instead be required to publish a redacted version of Staff's RCP analysis spreadsheet
17 model which provides the information in aggregate form, in a manner whereby the information deemed
18 confidential cannot be determined from the information provided.

19 15. In the event redaction of Staff's RCP analysis spreadsheet model cannot be
20 accomplished as ordered above in a particular case, the utility should be required to provide the
21 information deemed confidential to parties in the case who have signed a confidentiality agreement.

22 16. Staff may satisfy the requirement of Decision No. 75859 to publish Staff's RCP analysis
23 spreadsheet model on the Commission's website by means of a link that leads a user to the utility's
24 website, where the utility has published Staff's RCP analysis spreadsheet model.

25 17. Whether Staff's RCP analysis spreadsheet model is published on the Commission's
26 website or on the utility's website with a link from the Commission's website, the publication should
27 remain in place until the Commission's Decision in the associated matter is final and no longer subject
28 to appeal.

CONCLUSIONS OF LAW

1
2 1. Pursuant to Article 15, Section 3 of the Arizona Constitution, the Commission has
3 jurisdiction over the Arizona jurisdictional utilities who are parties to this generic proceeding.

4 2. It is in the public interest to clarify Decision No. 75859 as set forth herein.

ORDER

5
6 IT IS THEREFORE ORDERED that Decision No. 75859 does not require Staff to publish
7 confidential inputs used in Staff's RCP analysis spreadsheet model on the Commission's website.
8 When inputs deemed confidential are used, Staff shall instead publish a redacted version of Staff's RCP
9 analysis spreadsheet model which provides the information in aggregate form, in a manner whereby
10 the information deemed confidential cannot be determined from the information provided.

11 IT IS FURTHER ORDERED that in the event redaction of Staff's RCP analysis spreadsheet
12 model cannot be accomplished as ordered above in a particular case, the utility shall provide the
13 information deemed confidential to parties in the case who have signed a confidentiality agreement.

14 IT IS FURTHER ORDERED that Staff may satisfy the requirement of Decision No. 75859 to
15 publish Staff's RCP analysis spreadsheet model on the Commission's website by means of a link that
16 leads a user to the utility's website, where the utility has published Staff's RCP analysis spreadsheet
17 model.

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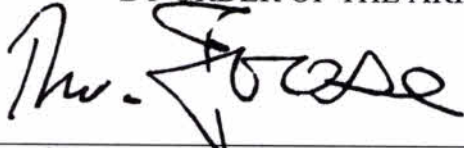
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IT IS FURTHER ORDERED that whether Staff's RCP analysis spreadsheet model is published either on the Commission's website, or on the utility's website linked from the Commission's website, the publication shall remain in place until the Commission's Decision in the associated matter is final and no longer subject to appeal.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

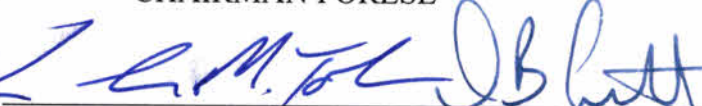
BY ORDER OF THE ARIZONA CORPORATION COMMISSION.



CHAIRMAN FORESE



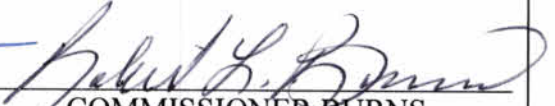
COMMISSIONER DUNN



COMMISSIONER TOBIN



COMMISSIONER LITTLE



COMMISSIONER BURNS



IN WITNESS WHEREOF, I, TED VOGT, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 22nd day of June 2017.


TED VOGT
EXECUTIVE DIRECTOR

DISSENT _____

DISSENT _____
TJ/sa

SERVICE LIST FOR:

IN THE MATTER OF THE COMMISSION'S
INVESTIGATION OF VALUE AND COST OF
DISTRIBUTED GENERATION

DOCKET NO.:

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